UNITED NATIONS

ECONOMIC
AND
SOCIAL COUNCIL

Distr.
LIMITED

E/ECWA/ILO/WG.4/2
17 February 1975

Original: ENGLISH

ECONOMIC COMMISSION FOR WESTERN ASIA

Seminar on Manpower and Employment Planning
in Arab Countries

Beirut, 12-24 May 1975

POPULATION, EMPLOYMENT AND DEVELOPMENT IN ARAB COUNTRIES

by

Miroslav Lasevic *

Ekonomski Institut, Beograd

* The author wishes to express his gratitude to Tripo Mulina and Milos Macura, both of Ekonomski Institut, for their assistance in preparing this paper.

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POPULATION, EMPLOYMENT AND DEVELOPMENT IN ARAB COUNTRIES

1. The purpose of the present paper is to summarize the existing information on population, employment and development of Arab countries; to discuss their most salient issues; and to examine action which might be taken to improve the demographic situation, that, in turn, would stimulate development and employment. Accordingly, the subject-matter is considered under five headings: introductory comments, recent population trends, implications, population prospects and the question of action. No analysis of individual country's demographic and economic situation is attempted for obvious reasons. Countries' data is used for comparative analysis only, to pin point the major common problems and examine the possible solutions.

2. Any study dealing with population and related subjects of Arab countries is faced by the paucity of statistics. Indeed, there has been a significant improvement in data base and research during the last ten years, or so. Considerable contribution to the existing knowledge has been made by the staff of the United Nations Economic Commission for West Asia, by the United Nations Population Division, by the Cairo Demographic Centre and by Arab Universities and scientists. Nevertheless, there are still serious gaps and lacunae in both statistics and knowledge in general, and for individual countries. The lack of fresh economic and demographic data is one among major problems, which is also felt in the present paper.

I. INTRODUCTORY COMMENTS

3. For most of the Arab countries it is of paramount importance to radically improve their economic situation, to increase the levels of living of their people, and therefore to expand the productive potential of their populations. In spite of many obstacles, either economic, social or political, or national or international, development must accelerate, not only because of the interest of Arab nations, but also because of the role they play in the international community. The question of development has become one of fundamental importance to the future of the Arab nations, and is considered as such in all the major policy documents, development plans and programmes.

4. Modern history, in the course of which most of presently developed nations have been industrialized, was very unfavourable to the Arab world's development and progress. Economic underdevelopment currently prevailing is deeply rooted in the history of the last two or three centuries. National liberation and renaissance provided only recently for sovereign and autonomous development. But, the time was too short to make it possible for Arab nations to overcome the state of underdevelopment.

5. It is not only the lack of modern industries, transport and communication and the outdated methods of agrarian production that matter. The state of underdevelopment affects the productive capacity of population too, because of illiteracy, poor education, lacking skills and a low proportion of economically active population in total population. Such a combination of material and human factors of production as prevails in the region, tends to maintain labour productivity at low levels, which adversely affects the levels of living. Closely interrelated is the unfavorable demographic situation, which is not only a consequence but also one of the major determinants of the general economic and social conditions.

6. It would be most erroneous to think that there has been little economic and social progress in the countries concerned during the last two or three decades. Deliberate efforts have been made to develop manufacturing industries and modern transportation, to improve agricultural methods, to expand educational and health systems, and the results are not missing. Recent changes in oil trade and prices has modified the picture of the relationship between population and economy, at least in some seven countries. Instead of inverse relation between the levels of per capita income and population rate, in the oil-producing countries is an association between high per capita income and high population rate. From 1973 to 1974 reserves of foreign exchange and gold of those countries have doubled and in some cases even trebled[1/]. Possibilities for development financing exceed the absorptive capacity of their economies, and might offer new and promising chances to other Arab countries too.

1/ According to the International Monetary Fund, from September 30, 1973 to September 30, 1974, reserves of Algeria have reached 2 billion, of Iraq 3 billion, of Libya almost 4 billion, and of Saudi Arabia over 11 billion.

7. This, however, does not necessarily mean that progress achieved so far was such as to meet national needs for development, and people's aspirations for a better life. In most of the countries concerned, the basic structure of economy and society has not yet been affected by development, national production and productivity has remained low (with the exception of oil and some other industries), population numbers have significantly increased and both the requirements and the expectations far exceed national capacity to produce. Moreover, despite of some improvements that have taken place, neither demographic situation, nor the supply of labour have shown signs of radical amelioration.

8. In such circumstances, acceleration of development appears to be the only solution. Additional efforts aimed at fuller utilisation of natural, human and economic resources seems to be essential to this end. One of the basic questions which a strategy of accelerated development does face, is how to develop human resources, which is population, and how to mobilise it with a view of activating the available natural and economic resources. While the question appears at the first glance to be simple, in fact it is a very complex one. For it implies a multitude of economic, social and demographic interrelationships; the double economic role of population - as a producer and as a body of consumers; the complex relationship between the size and growth of both, population and labour force; and a variety of problems relative to employment, education and other correlates. Moreover, it implies the more profound humanitarian consideration which requires that man's capacity and values, and the human life itself, be developed to the levels commensurate with human dignity.

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II. DEMOGRAPHIC SITUATION IN ARAB COUNTRIES

9. Arab countries, like a majority of the developing countries, are undergoing a unique phase in their demographic history. A rapid population growth, unknown in man's history so far, is the basic characteristic of this phase. Such a growth has developed in a short time and is likely to continue at this pace for a long period. In short, this time component of population growth is a distinguished one and attracts particular attention both due to the present and the future social and economic implications.

10. Population growth in all the Arab countries is very rapid. (Table 1). However, one can notice that the average annual rates of population growth, although they are markedly high, differ from country to country in this region. These differences occur mainly due to the natural increase of population and, in part, due to the migrational component. Egypt and Kuwait constitute the most characteristic example because they have recorded the lowest i.e. the highest average annual rate of population growth in the region in the 1970-1975 period. In Egypt a slightly lower rate of population growth than in other Arab countries, results from declining fertility and still moderate mortality, while in Kuwait the growth rate is exceptionally high due, in the most part, to an extensive immigration of the population in this country. But, no matter how much these differences are numerically important, especially in regard to the future population trends, population growth in all the countries in this region does not exceed the framework of the developing countries which are characterised by the first phase of socio-economic development.

11. An uneven density of population among the countries and within one particular country is one of the characteristics of demographic situation in Arab countries. In a majority of the countries the density of population is low, except in Lebanon and Bahrain, where it is high. However, among the countries recording a low population density, some can be singled out such as Libya, Saudi Arabia, Sudan, Morocco, Tunisia and some others, mostly smaller countries, where density is exceptionally low. The density ratio is a rough measure because it also includes a part of land which cannot be

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TABLE 1

Estimates of Population Size in 1970 and 1975, Population Growth Rates and Population Density in Arab Countries

	Population[2] (in thousands)		Annual rate of growth	Density ratio[3]
	1970	1975		
Algeria	14.330	16.887	3.28	6
Bahrain	220	255	2.98	360
Egypt	33.329	37.368	2.29	35
Iraq	9.440	11.218	3.45	23
Jordan	2.310	2.730	3.34	25
Kuwait	760	1.092	7.26	51
Lebanon	2.730	3.241	3.00	285
Libya	1.938	2.253	3.01	1
Morocco	15.520	18.333	3.33	35
Oman	660	755	2.98	3
Qatar	80	93	2.99	4
Saudi Arabia	7.745	8.976	2.95	4
Sudan	15.695	18.182	2.94	7
Syria	6.250	7.360	3.27	36
Tunisia	5.137	5.883	2.71	33
United Arab Emirates	190	221	2.98	2
Yemen Arab Republic	5.770	6.687	2.95	31
Yemen Dem. Republic	1.440	1.667	2.92	5

Sources: 2/ United Nations, Population projections (Documentation)

3/ United Nations, Demographic Yearbook 1973.

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populated. That is why the results obtained by means of such a measure cannot constitute a basis for precise estimates on the relationship between the population and the territory. It appears, however, that in some countries, such as Iraq, Sudan and Libya, the density of population is no problem, bearing in mind available natural resources[4]. On the other hand, the density situation, present or that is to come, constitutes a serious problem for some countries in the region. In Egypt, for instance, only 3.55 out of the total territory is populated[5], so that the density ratio in the populated part of the country is very high and accounts for almost 1000 inhabitants per 1 sq.k. Jordan is a country in which, thanks to climate and topographical conditions, only about 10 per cent of the total region is populated by more than 90 per cent of the total population[6]. It is obvious, that the relationship between the population and the area represents one of the most important problems one must take into account, when formulating the future development policy as well as the demographic policy.

12. A high fertility level is a common characteristic of all the Arab population (Table 2). In a majority of these countries the crude birth rate is exceptionally high and ranks among the highest in the world. Exceptions are only Egypt, Lebanon, Tunisia, where fertility is obviously undergoing a transitional phase of a slowdown from a high to a moderate level (in Tunisia the crude birth rate accounted for 46.2 in the 1960-1964 period, 40.6 in the 1965-1969 period and 36.1 in 1970[7]. As for Algeria

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4/ Jamal Mohamed Ahmed, Statement in the World Population Conference Bucharest 1974, pp. 1-2; IPPF, Family Planning and Population Policies in Middle East and North Africa Region, First Regional Population Conference, Beirut 1974, p.10; Tahseen M. Mustafa, Report on population growth and vital statistics in Iraq, First regional Conference, Beirut 1974, p.5; Report of Libyan Arab Republic to the World Population Conference, Bucharest 1974, p.3 and 16.

5/ Mamdouh El-Hennawy, Population and Development in Egypt, Symposium on Population and Development, Cairo 1973, p.2.

6/ First regional population conference, Beirut 1974, Final Report p. 16.

7/ United Nations, Demographic trends in the world and its major regions, 1950-1970, background paper for the World Population Conference, Bucharest 1974, p.22.

TABLE 2

Crude Birth Rate, Crude Death Rate and Infant Mortality In Arab Countries

	Natality		Mortality		Infant Mortality	
	year	rate	year	rate	year	rate
Algeria	1968	39.3 8/	1968-70	16.9 8/	...	...
Bahrain	1972	50.0 9/	1972	19.0 9/	...	...
Egypt	1971	34.6 8/	1970	15.1 8/	1970	116.3 8/
Iraq	1972	49.0 9/	1972	15.0 9/	...	104.0 9/
Jordan	1972	48.0 9/	1972	16.0 9/	...	115.0 9/
Kuwait	1972	43.0 9/	1972	7.0 9/	1970	41.8 11/
Lebanon	1972	34.4 9/	1972	9.0 9/	...	65.0 9/
Libya	1969	45.9 8/	1968-70	15.8 8/	...	...
Morocco	1970	49.5 8/	1968-70	16.5 8/	1960-64	149.0 10/
Oman	1972	50.0 9/	1972	19.0 9/	...	...
Qatar	1972	50.0 9/	1972	19.0 9/	...	...
Saudi Arabia	1972	50.0 9/	1972	23.0 9/	1962-63	260.0 9/
Sudan	1970	49.5 8/	1968-70	18.4 8/	...	...
Syria	1972	48.0 9/	1972	15.0 9/	1960-64	114.0 10/
Tunisia	1971	34.8 8/	1971	9.3 8/	1969	77.7 8/
United Arab Emirates	1972	50.0 9/	1972	19.0 9/	...	119.0 9/
Yemen Arab Republic	1972	50.0 9/	1972	23.0 9/	...	...
Yemen Democr.Repub.	1972	50.0 9/	1972	21.0 9/	...	...

Source: 8/ United Nations, Demographic Yearbook 1973.

9/ ECWA, The Demographic Situation in the Arab Countries of the Middle East, First regional population conference, Beirut 1974.

10/ Abdel R. Omran, Epidemiological Aspects of Population Change in the Arab World, First Regional Population conference, Beirut 1974.

11/ Demographic Situation in Kuwait, First Regional Population Conference, Beirut 1974.

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the situation is not quite clear since the crude birth rate in 1968, although estimated to account for 39.3, and this means it was high, is considerably below the level recorded in a majority of other Arab Countries. Its level indicates a slow fall in fertility. This all the more because the crude birth rate accounted for 44.1 in 1965. But this estimation should be taken cautiously because of an incomplete registration of births, which has been very pronounced in previous years [12/].

13. A few empirical investigations are available which deal with the determinants of high fertility in Arab countries, the results of which might be used in an analysis of the present situation. However, starting from the views accepted in the demographic theory and the existing socio-economic conditions, it is nevertheless possible to present assumptions of the high fertility's causes in the beginning of 1970s.

There are at least three reasons which condition a high fertility level in Arab countries.

The first one relates to the social and economic conditions in which the population live and work. They are in the most part characterised by low indices of development, a low productivity of work predominantly based on manual work, a high illiteracy, among the female population in particular, firm family and kinship relations through which all the important social values are being accomplished, high infant mortality and of small children, etc. In such conditions a large number of children is welcome, for the sake of strengthening the family in order that it might achieve its ends such as to ensure its economic function, to continue the family line, to help old parents and others[13/].

12/ K. C. Zachariah, Basic Demographic Measures of Algeria, in Demographic Measures and Population Growth in Arab Countries, Cairo Demographic center, Cairo 1970.

13/ Consult the following literature: F. Notestein, Population - The Long View, Chicago 1945; F. Lorimer, Culture and Human Fertility, UNESCO, Paris 1954; R. Freedman, The Sociology of Human Fertility, Current Sociology, Volume X/XI, No. 2, 1961-62, Paris 1963. N. Ryder, Fertility in the Study of Population, edited by Hauser A. Duncan, Chicago, 1959; G. Roberts, Fertility, Background paper World Population Conference, Beograd, 1965; A. Coale, The Demographic Transition, International Union for the Scientific Study of Population, Liege 1973.

The second reason of high fertility level lies in institutional and cultural factors. Among them the most important ones are religious doctrines, traditional social customs, moral attitudes and so on, that condition high reproductive norms and almost an universality of contracting marriage[14/]. These factors, however,can to a great extent, be resistant towards the processes of modernisation. Hence, they can postpone changes in the sphere of reproduction for a certain period.

The third reason is connected with the factors of modernisation and the population policy. In the conditions of the present economic development which is evolving in Arab countries, in a majority of them no great changes have become evident in the population reproductive behaviour. One supposes that changes have not occurred due to the following: a) modernisation has not reached the point when, as its consequence, there begins a spontaneous fertility decline, b) in some countries a pronatalistic policy in accordance with national values and needs has been accepted, and c) the population policy in other countries, the aim of which is a moderate growth of population, has still not acquired a wider exchange of an organised action with corresponding effects while, the factors of modernisation have still not affected, on the other hand, the creation of a motivation in the population in order that lower reproductive norms might be accepted.

14. The spread of family planning is reliable evidence of the efforts to slow down fertility and of the existence of a part of population that has accepted to control its reproduction. In this respect the situation in the region varies. According to the IPPF report[15/] the 1974 situation was as follows: a) Egypt, Morocco and Tunisia are the only countries with an official policy of family planning, b) Algeria, Iraq, Sudan and the Democratic Republic of Yemen have certain activities relating to family planning

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14/ For a discussion of these factors see Dudley Kirk, Factors Affecting Moslem Natality, World Population Conference, 1965, Vol.II pp.149-154.

15/ IPPF, Family Planning ..... op.cit.

in the sphere of health and social welfare, c) Lebanon and Jordan have an organisation for family planning but no official activity is recorded in this domain, and d) in other countries no formal activities exist in the domain of family planning.

Family planning is mostly spread in Egypt, Morocco and Tunisia. Egypt is a country having a developed family planning programme which was already adopted in 1962. The national programme covers more than 3000 clinics. Although no complete analyses are available, according to the IPPF estimates it seems that family planning, along with other factors, have contributed to a fall in the crude birth rate in a relatively short time interval. The situation is also similar in Tunisia. In this country the family planning programme was made in 1964. It is possible that this programme, along with the development factors' effects contributed to a fall in the crude birth rate. In Morocco the national programme of family planning was initiated in 1966, but to all appearances it still has not significantly affected the population's reproductive behaviour. In Lebanon any propaganda or sale of contraceptive devices is officially forbidden but, in fact, the purchase of them is available. Along with the other factors, family planning is one of the direct causes operating in the sphere of reproduction.

15. In a majority of Arab countries general mortality is on a moderately high level. In some of the countries the crude death rate is recording a clear slowdown tendency, like in Syria, Morocco, Libya, Jordan, Iraq, Egypt and Algeria. However, it is low in Tunisia, Lebanon and Kuwait. In all the other countries, general mortality is on a level which is far from being satisfactory.

In assessing the level of general mortality in Arab countries one should bear in mind that it is vigorously affected by a young age structure of the population, which characterises all the countries in the region. Precisely due to this fact the present level of mortality in Arab countries is more unfavourably than it might appear to be when comparing it with the level of mortality in developed countries, either present or during the demographic transition. This is pointed out by a high infant mortality and a low expectation of life at birth. Although estimated results should be

taken with reserve the level of infant mortality in Arab countries is unsatisfactory (the exception is only Kuwait, where already the rate is relatively low). The same is with the expectation of life at birth which was estimated to be over 60 years in Kuwait and Lebanon, in the 1965-1970 period, while for a majority of other countries the estimation ranges from 40 to 50 years. It is the lowest in Saudi Arabia, the Arab Republic of Yemen and the Democratic Republic of Yemen, where it is estimated to be 42.3 years for the 1965-1970 period[16,17].

16. A decreased mortality of population in some of the countries was achieved by a combined operation of the development factors and the application of modern achievements in the sphere of medicine and public health. This has contributed, on the one hand, to a rising of economic, educational and health standards and to controlling contagious diseases as well as improving basic hygienic conditions, on the other. However, these impacts have evidently not been strong enough in all the environments, at least not to a sufficient degree.

17. External migration is an important factor influencing the movement of the number of inhabitants in individual countries in the region. In the Gulf States the settlement of population is very extensive in the relative sense. It is particularly obvious in Kuwait, where the rate of immigration is in all judgements, higher than the rate of natural increase[18]. Lebanon is also one of the attractive regions for migrants from other countries. In the 1963-1972 period over 402,000 persons immigrated to this country[19]. On the other hand no information is available which would confirm that the population emigration was extensive, although it was registered in Jordan,

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16/ ECWA, The Demographic Situation ... p. 34

17/ UNICEF, Population and Children's Problem, First regional population conference, Beirut 1974, p. 24.

18/ In the 1957-1970 period the average annual rate of population growth in Kuwait was estimated to amount to 10.3 and the rate of natural increase to 3.5. See: Demographic Situation in Kuwait, First regional population conference, Beirut 1974, p.5.

19/ L'Institute des Sciences Sociales de l'Université Libanaise Donnés Diverses sur la population du Liban, Prenière conférence régionale de la population, Beyrouth 1974, p.8.

Syria, Tunisia, Lebanon, Egypt and in other countries. It seems that the only exception is the Arab Republic of Yemen, which has undertaken special economic measures in order to restrict the emigration of its population[20/].

18. Internal migrations of the population are very pronounced in all the countries of the region. No complete statistical evidence exists about them but it is known that besides nomadism, two types appear: migration between areas and rural-urban migrations. These latter are very extensive and result from the demographic pressure in the agricultural sector and attractiveness of towns, of large in particular.

19. The age structure of the population in Arab countries, which is affected by high fertility and low expectation of life, is characterised by large proportion of children and a small proportion of the aged (Table 3). Egypt and Lebanon are the only countries, where the proportion of population old from 0-14 is slightly less, mainly due to the beginning of fertility decrease.

The dependency burden of population, that is not capable to incorporate themselves in the active economic life, is enormously heavy in all the countries in the region. The dependency ratio is high although a very rough measure was used. Some of more precise measures would in fact show that the dependency ratio is considerably more unfavourable because the dependent population would also comprise of a larger number of population between 15 and 64 years of age (women who are not economically active, pupils, persons unable to work and others).

The age structure of the population is a demographic framework which is particularly related to economy and social services with particular requests. In this respect the current age structure in Arab countries poses a few requests which can be of significant economic implications. The proportion of children aged from 0-14 is very high and the absolute number of them is increasing, so that it unavoidably exerts a strong pressure on school institutions, public health institutions and other social services.

20/ People, Vol. I, No. 5, 1974, p.20.

TABLE 3

Age Structure of Population in Arab Countries, 1975[21]

	Percentage distribution by age			Dependency ratio
	0-14	15-64	65 and over	
Algeria	47.8	49.1	3.1	103.7
Egypt	40.5	56.1	3.4	78.3
Iraq	46.9	50.7	2.4	97.4
Jordan	46.7	50.5	2.8	97.9
Kuwait	47.2	51.3	1.5	94.8
Lebanon	43.2	52.0	4.8	92.5
Libyan Arab Republic	44.3	52.6	3.1	90.0
Morocco	46.4	51.0	2.6	96.2
Saudi Arabia	44.7	52.5	2.8	90.4
Sudan	45.3	52.0	2.7	92.2
Syrian Arab Republic	46.0	51.0	3.0	96.2
Tunisia	44.2	51.8	4.0	93.0
Yemen Arab Republic	44.8	52.5	2.7	90.3
Yemen Democratic Republic	45.0	52.3	2.7	91.4
Other Arab Countries[22]	45.1	52.3	2.6	91.1

21/ United Nations, Population Projections (documentation)

22/ Included Bahrain, Oman, Qatar and United Arab Emirates.

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Requests to expand them are constant and the fulfilment of which greatly burdens the accumulation funds. The category of population aged from 15-24 can also pose special requests. It accounts for about one fifth of the total population (18.7% in Algeria, 19.1% in Syria, 19.5% in Egypt, etc.) and is very mobile bearing in mind that in that age one completes schooling, forms a family, most often resettles from the village to town and the like. Hence it can exert a strong pressure on the farm land and labour market, as well as on the capital funds for the sake of creating conditions for employment of the young.

20. Illiteracy is wide spread in Arab countries. According to official estimates for 1970 the rate of illiterates for the entire region amounted to 73.0 per cent [23]. It is high in each of the countries and even in Lebanon, where it is lowest (about 30%). Although it is a consequence of unfavourable educational conditions in the distant and recent past, the current level of illiteracy constitutes an enormous social and cultural problem. It requires exceptional efforts in order that it might be mitigated and reduced to a level which will not significantly affect the advancement of social and economic processes in the future. One can see this, on the one side, from a slow relative decrease of the illiterates (the rate has decreased by eight percentual points in the 1960-1970 period) and the absolute increase of the illiterates (from 42.8 to 49.9 millions in the same period) and on the other side the expected rapid population growth.

The needs of the development and the increase of population have contributed to an accelerated spread of schooling in the course of past years. In certain countries the development of schooling has reached an impressive level in all the three degrees of education. In Syria, for instance, in 1969 regular schooling covered 83% of the population aged from 6-11 years, 36 per cent from 12-17 and 7.6 per cent from 20-24 years. In Egypt a similar level was reached (the corresponding data are 70%, 31.0% and 6.9%) as well as in Iraq (the corresponding data are 68%, 26%, and 4.5%).

23/ All the data on educational characteristics of the population were taken from the UNESCO Year Book for 1971.

In the other countries the development of education has remained at a lower level like in Sudan (the corresponding data are 25%, 9% and 0.9%), and in Saudi Arabia (33%, 8% and 1%). Observed in general, the development of schooling is by all appearances in full swing. This assessment is significant not only because a rise of the educational level of the population is of manifold benefits for all social activities but also because it represents an expression of a tendency which will exert important influences on the improvement of the educational structure of the population in the future.

21. Considerable differences in the structure of the rural-urban population are also one of the features of the demographic situation in Arab countries. In 1971 in a majority of the countries the rural population dominated, the proportion of them having been the largest in Sudan (90%), the Arab Republic of Yemen (90%) and in Saudi Arabia (75%). In several countries (the group of the Gulf States and Lebanon) the proportion of rural population was smaller than that of the urban population. In this respect Kuwait especially distinguishes itself having only 20 per cent of the rural population[24/]. The proportion of the urban population is constantly affected by the transfer of population from the agricultural to the non-agricultural sector. Simultaneously the number of population in large cities is increasing. This rapid increase creates serious social and economic problems for the newcomers, because most often no conditions exist to provide employment, housing and others for the migrants.

22. The economic structure of the active population varies in Arab countries (Table 4). This can be best seen in the differences existing in the primary sector, which for the observed countries ranges from 18.9% (Lebanon) to 58.2% (Syria), if one leaves out Kuwait and Bahrain which cannot be taken as typical. However, in spite of evident differences, two common characteristics give a significant imprint to the economic structure of the population in Arab countries. The first one relates to a low proportion of the secondary sector in all the countries in the region and the second one to a relatively high proportion of the active in the tertiary sector, which

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24/ Saud Eldin Ibrahim, Urbanization in the Arab World - The Need for an Urban Strategy, First regional population conference, Beirut 1974.

TABLE 4

Economic Structure of Active Population in Arab Countries[25/]

	year	Sectors of activity		
		primary	secondary	tertiary
Algeria	1966	56.7	14.1	29.2
Egypt	1966	53.3	16.2	30.5
Libya	1964	37.1	19.0	43.9
Morocco	1971	53.1	17.2	29.7
Tunisia	1966	42.6	19.3	38.1
Bahrain	1971	6.7	34.5	58.8
Kuwait	1970	1.7	34.2	64.1
Lebanon	1970	18.9	25.3	55.8
Syria	1971	58.2	16.9	24.9

25/ Year-Book of Labour Statistics, 1973, ILO

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in particular countries excel the proportion of active population in the primary or the secondary sector. The type of differentiation of the economic structure of the population in Arab countries reflects for sure, the existing structure of economic and non-economic activities and their degree of development, but other impacts as well. This above all, relates to demographic impacts. They come in part to expression due to an abundance of labour force in the village that is automatically engaged in agriculture and in part due to intensive migrations from the village to towns. Due to an insufficient development of the secondary sector the newcomers exert a strong pressure on the labour market and along with their low skill outflow to numerous activities in the tertiary sector.

23. In spite of disposing of insufficient statistical data the analysis of the demographic situation in Arab countries has revealed its basic characteristics and problems. One can notice that demographic situation in the region is not completely homogeneous. But viewed in general the basic findings of the analysis point to the fact that all the Arab countries are undergoing the early phase of demographic transition, which characterises smaller developed countries. Its particular characteristics are a rapid population growth, high fertility, a decreasing mortality and a young age structure. Each of these demographic variables is on a level which calls for very subtle considerations. Both, the policy of development and the population policy ought to respect them for many reasons, bearing in mind the importance of their implications and all their complexity as phenomena. The policy of development ought to adjust its ends to the requirements they pose, while the population policy should harmonise its actions with the regulation of them in accord with the national needs and values.

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III. THE IMPLICATIONS OF DEMOGRAPHIC SITUATION IN THE REGION

24. It is a wide accepted view that the demographic factor is closely connected with the economic development and particular with the use of natural resources, production, income, saving, investments and employment. Also the scientific findings reached so far in this sphere, have clearly indicated that the determinant basis of economic development is very complex and that due to multiple links among the factors making it, is difficult to evaluate the significance of the demographic factor. These restrictions are, besides this, often intensified not only by conceptual reasons, but also by lack of adequate data.

25. Natural resources of any country have undoubtedly their upper limit which is more often unknown than known. They are of an exceptional importance to the economic development although the degree of their use depends mainly on the development of institutions of human populations. The size of the population is closely connected with the exploitation of natural resources. Some of them, such as cultivated land and usable waters, are directly linked to the vital man's existence. Others, such as mineral riches, represent one of the essential preconditions of economic development. However, it is quite sensible today to pose the question to what extent existing natural resources can satisfy the needs and requirements of a rapid population growth, the present type of consumption and the countries' aspiration to reach as high a level of development as possible. The question is very complex and it surmounts the framework of this paper, which is above all, restricted to the demographic aspect. It is certain, namely, that population growth and its redistribution increase the demand for natural resources. Although the demographic factor in some environments can exert positive influence on the exploitation of natural resources in the terms of a faster economic development, a rapid population growth can represent one of the factors, which leads to a shift of the balance between the needs and possibilities to satisfy them. This particularly relates to some of the natural resources, such as land, water or unrestorable minerals. Besides this, a rapid population growth can indirectly lead to a slackening of exploitation of natural resources, important for the development, because many less

developed countries, lacking capital, must spend available accumulation funds for current consumption and the development of the tertiary sector.

26. Food sources are limited, also. Hence, a question is posed whether the existing capacities can satisfy the needs of the growing population. In some of the developing countries the problem of food is very serious. Although it cannot be ascribed to the demographic factor, but to the conditions in which these countries have developed, a rapid increase in population in present conditions is certainly of a depressive effect. For a rapid increase of needs in food creates a pressure on capital funds either due to imports of food or due to a need of making necessary investments in land, material equipment and work. This, on the other hand, decreases the efforts being made for providing conditions for a faster economic development, above all of modern and highly productive activities.

27. Savings and investments constitute two phases of capital formation with which the demographic factor is also connected. Under the conditions of the same aggregate income, possibilities for saving are greater in a country whose size of population is smaller. Bearing in mind that saving is a residual left after consumption, lesser possibilities for saving in fact come to existence, due to a lesser per capita income in a more numerous population. The age structure of population is also of an additive demographic effect on the volume of saving. It in fact operates indirectly, because in a young population the dependency ratio is very high, while the proportion of the active population is low, so that the aggregate income is lesser than in a population having a balanced age structure.

28. The satisfaction of needs of individuals is also determined by the size of population. More numerous population require more capital in order that it might create conditions for employment, housing, development of corresponding services in the tertiary sector (education, health and others). The question is complex because the function of needs must involve the distribution of population, the age structure and other relevant factors, so that the question poses to what an extent the size of population exerts influence on the needs for capital per capita of the population. It is obvious that this impact varies but in any case it is closely connected with the degree of development and objectives of the development policy.

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29. Labour force, being a demographic category (it is also an economic category), depends to a great extent on other demographic variables, above all on the number of population and the age structure. It is evident that labour force increases along with population growth, though this increase need not be the same. The increase and abundance of labour force in view of its importance as a factor of production, can appear in less developed countries as a chance for an accelerated development or as its obstacle. This depends on several varied circumstances. Among them are the volume and structure of natural resources, the degree of development of the economy, its capability to realise accumulation, to increase the number of workposts and change the unfavourable ratio between productive capacities and labour force, then the structure of labour force, particularly educational and qualifications, its participation in the total population, etc. The volume of labour force, in addition to demographic and economic factors, also depends on the development of education, propensity of the female population to take part in the economic activity, then on the policy of social insurance, and the like. In the existing findings on the determinants of labour force little room is devoted to demographic influence on the factors affecting employment and its growth. Singer connects the problem of employment in developing countries with the factors of production, i.e. with the question of technology. His thesis is that in conditions of a rapid population growth in these countries it is necessary to use various technologies in order that the best productive employment can be assured[26]. Besides technology the other factors of production, capital in particular, must be taken into account when considering the problem of employment, unemployment and underemployment in the countries experiencing a rapid growth of population in the working age. In any case, a part of the complex question of labour force and employment is made also of the demographic factor, the impact of which must be taken in view in considering and formulating the policy in this sphere.

26/ H.W.Singer, Income distribution and population growth, World population conference, Background paper E/Conf.60 Syn.7/36/

30. An abundance of population of working age is characteristic to all the Arab countries which is a direct consequence of a rapid population growth in the working age ranges from 2.7 to 3.5 per cent if one excludes Kuwait (with a rate of 5.9%) which is not a typical case due to the immigrational component (Table 5)[27]. No sufficient data are available on the basis of which one could make a necessary assessment of the implications of abundance of the potential labour force in Arab countries. The human factor constitutes the essential condition in exploitation of natural resources and the raising of the standard of living, but only in conditions if it is productively used in accordance with the needs and objectives of the development of the country. In individual countries rich producers of oil, with a small population, such as Libya, Kuwait and some other countries, a rapid growth of population and of labour force is an advantage, which can be used for a faster development of productive forces and the raising of standard of living. In Libya there are no unemployed people and the only restriction to a faster economic and social progress is an insufficient supply of human resources, particularly of skilled labour force[28]. However, these countries, due to their riches in oil sources and small populations, enjoy a special advantage, which is not the case with other Arab countries, at least not with all the countries in the region. A rapid growth of population of working age, in conditions of a restricted cultivated land, which is already over-populated, and insufficiently developed capacities in the secondary and the tertiary sectors that cannot employ the growing number of labour force, create very serious difficulties for the development and raising of the quality of life in these countries, resulting in significant social and political consequences. The rates on underemployment and unemployment represent one of the indicators of such a situation. According to the FAO Regional Office for the Near East estimate, one of the most serious implications of population growth is the pressure of population on the farm land,

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27/ Ten Arab countries with over 85% of the total population in the region have recorded an average annual rate of 2.5% of population growth in the 1950-1960 period, while the rate of increase of the population of working age amounted to 2.6 per cent.

28/ Report of Libyan Arab Republic to the World population conference, Bucharest 1974, p. 10.

which results in an increase of unemployment, underemployment and aggravation of the standard of living in the rural area[29]. Although data on unemployment in the urban area in the region are not available or are incomplete, unemployment appears as a problem in a majority of the countries. It is precisely most spread among the population aged 15-24 years, which is a consequence of a high rate of the young's inflow to labour force, that is, of a rapid population growth[30].

31. Thanks to a young age structure and a low female economic activity, the crude rate of activity in the Arab countries observed is very low (Table 5). In a majority of countries it ranged between 21 and 26 per cent as against the rate of 41.7 per cent, which was estimated for all the developing countries in the world. A low rate of economic activity has a whole range of weak points. The national product and per capita income are also low in a majority of countries and due to this the conditions for savings and investment are unfavourable, as well as their use for expanding productive capacities. This is also but even more convincibly approved by the dependency ratio, which is exceptionally high and in some of the countries in the region even two times higher than the average of all the developing countries (140 in 1960).

32. Economic activity of males in Arab countries, like in all the countries in the world, is higher than activity of females. This difference in Arab countries is very high because males mostly make over 90% of labour force. The crude activity rate for males ranges between 40.6 to 53.0 in the the observed countries (Table 5). It is also low, due to a high proportion of the young population. However, the labour force participation rates for

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29/ FAO, Population problem in relation to Agricultural and Food Development in the Near East, 1974, p.5.

30/ K. E. Vaidyanathan, Demographic aspects of unemployment in Arab countries, Seminar on Demographic Factors in MANPOWER planning in Arab Countries, Cairo 1971.

TABLE 5

Rate of Growth of Working Age Population, Crude Activity Rate And Dependency Ratio in Arab Countries

	Annual growth rate of working age population (1970-1975)[31]	crude activity rate[32]				Dependency ratio (number of inactive on 100 active persons)[32]
		year	male	female	both sexes	
Algeria	3.5	1966	42.2	1.8	21.7	361
Bahrain	...	1971	49.0	3.3	27.9	258
Egypt	2.7	1966	48.4	4.0	26.4	279
Iraq	3.4	...	...	...	...	...
Jordan	3.2	1971	43.1	2.6	23.1	334
Kuwait	5.9	1970	53.0	5.2	32.4	209
Lebanon	3.2	...	...	...	...	...
Libya	2.9	1964	46.6	2.7	25.6	291
Morocco	3.2	1971	44.5	8.0	26.3	281
Saudi Arabia	2.7	...	...	...	...	...
Sudan	3.0	...	...	...	...	...
Syria	3.4	1971	40.6	9.6	25.3	295
Tunisia	3.5	1966	44.4	3.0	24.1	314
Yemen Arab Rep.	2.7	...	...	...	...	...
Yemen Dem. Rep.	2.7	...	...	...	...	...

31/ United Nations, Population projections, (unpublished documentation.

32/ ILO, Year book of labour statistics, 1973.

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all the countries observed (Table 6) are high in spite of differences existing among them. This assessment speaks in favour of possible positive influences which an extensive exploitation of available male labour force can exert on the development processes in each of the countries observed. One has nevertheless to take into account a spread of underemployment and unemployment we have already mentioned, which for sure decreases, to a considerable extent, the given figures of the activity rate for male population. Otherwise, the pattern of males' economic activity is characteristic of the environments in which one relatively early enters the labour force and relatively late leaves it. That is why the labour force participation rates are also high in marginal age groups. The reasons for this lie above all in the structure (in which prevail traditional branches - agriculture and crafts) and the development of the economy and an insufficiently developed education at all the three levels. These reasons should also be supplemented by low incomes of the employed, as well as social norms on the rural activities, which contribute to a prolongation of economic activity. Besides this, the organisation of agricultural activity develop on small land farms which makes it possible for children to be also engaged in work, as well as older persons[33/]. Finally, one should point out that the so-called inessential factors can in part contribute to a high economic activity rate in marginal groups. They are connected with the definition of economic activity and the possibility to efficaciously and consequently implement it (children attending school, who also work at home and the aged population performing a part of everyday jobs). This reason could affect considerably the differences in the level of males' economic activity in the countries observed, which almost exclusively appear in marginal age groups.

33/ It was confirmed in a number of investigations that the working span of life lasts considerably longer in the agricultural, than in the non-agricultural sector. The 1966 data for Egypt show, for instance, that males' activity rate in the group of persons aged from 15-19 amounted to 40.1 in towns and 71.8 in the village, while corresponding figures for the age group 65-69 amount to 59.7 and 85.6 Z. Vavra Demographic patterns of Labour Force in Arab Countries, Cairo Demographic Centre, Cairo. 1971, p.45.

TABLE 6

Labour Force Participation Rates by Sex in Arab Countries[34]

	Year	Age groups							
		15-19	20-24	25-29	30-49	50-54	55-59	60-64	65 +
MALES									
Algeria	1966	65.7	93.4	96.3[35]	...	...	...	80.1[36]	33.8
Bahrain	1971	42.8	88.4	97.7	97.8	91.9	84.5	59.2[36]	...
Egypt	1960	68.5	96.8	96.1	98.0	96.4	94.5	85.2	62.6
Jordan	1961	51.9	89.2	94.5	94.1	85.8	80.6	67.1	40.6
Kuwait	1970	41.2	88.3	98.3	96.4	93.8	88.1	69.6	33.1
Libya	1964	70.1	69.5	93.3	...	...	...	84.6[36]	52.0
Morocco	1971	58.9	85.2	95.2	96.3	91.7	88.8	63.0	33.4
Syria	1960	65.1	88.0	95.9	96.4	91.0	86.1	74.7	42.7
Tunisia	1966	51.4	91.0	96.1	96.3	92.5	86.8	74.2	46.6
FEMALES									
Algeria	1966	3.7	3.6	2.5[35]	...	...	...	2.9[36]	1.4
Bahrain	1971	3.1	11.6	10.2	6.1	3.9	3.7	2.1[36]	...
Egypt	1960	8.6	7.3	4.8	4.6	4.7	3.4	3.2	1.9
Jordan	1961	4.8	6.9	4.7	4.2	3.3	2.7	2.1	1.3
Kuwait	1970	4.1	10.9	13.1	12.3	10.4	7.4	5.5	2.0
Libya	1964	4.4	4.4	3.9	...	...	...	3.7[36]	1.6
Morocco	1971	16.6	13.5	11.1	11.8	19.1	22.4	7.6	3.8
Syria	1960	11.5	10.0	9.1	7.9	5.8	4.6	3.4	1.3
Tunisia	1966	8.8	8.7	5.3	4.4	4.4	3.8	3.4	2.0

34/ ILO, Year Book of Labour Statistics, 1973

35/ Data are related to age group 25-34; age group 55-64

36/ Age group 60 and over.

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33. According to statistical data available, women's economic activity in Arab countries is exceptionally low. The crude activity rate for a majority of the countries observed (Table 5) ranges up to 5% and is slightly higher only in Morocco (8%) and Syria (9.6%). Labour force participation rates for women are also mostly very low (Table 6), although there exist considerable changes in the patterns of female activity by age, among the countries in the region. In some of the countries observed (Jordan, Kuwait, Bahrain), women's activity in marginal age groups is lower than in other age groups, but these differences are fairly expressed. In Tunisia, Syria, Egypt and Algeria the pattern of women's economic activity by age varies greatly. Activity is highest in the youngest age group and then it decreases with age. This also applies to Libya and in part to Morocco, whose pattern of females' activity is rather irregular.

34. In reports on female labour force in Arab countries it is often pointed out that its size is underestimated. In this sense well known problems are mentioned, relating to the registration of categories of unpaid helpers on farms and other kind of family activity. Also, opinions are mentioned that a certain number of women, due to customs reasons, do not declare themselves in the census as economically active, although they are actually engaged in income-producing work. Due to this, some authors consider that the actual economic activity of women in Arab countries is two to three times higher than what is shown in the census[37/]. One should, however, bear in mind that a complete registration of women, who in part participate in economic activity, would exaggerate data on the volume of labour force, in view of the fact that a relatively large number of women is not active the entire work day. Thus underemployment, otherwise significant in this region, would greatly increase.

37/ M. Al Alwani, Labour Force in Syria, p. 17-18
S. El-Kashef, Labour Force in Iraq, p. 20, Seminar on Demographic Factors in Manpower Planning in Arab Countries, Cairo, 1971.

35. In spite of all the limitations coming out from available data and due to which one must be reserved to them, by all appearances one can sensibly speak of a low economic activity of women in Arab countries. This conclusion is, among other data, supported by the state of all the basic determinants which contribute to a low level of female activity. Among them are early marriage, a large number of children in the family, a low level of educational attainment of the female population, the spread of the primary and the tertiary sector, an abundance and a large supply of male labour force, which dominate over the female one in the labour market and the like. Important determinants of a low females' economic activity in Arab countries are also cultural and institutional factors to which several authors devoted attention[38/]. In conditions of a low demand for labour force it is natural that the degree of the female population's engagement remains low. A great demand for labour force, resulting from accelerated economic development. will most quickly and efficaciously eliminate prejudices on the female population's work engagement and increase the degree of activity of the female population.

36. Arab countries as a whole, have all the characteristics of underdeveloped countries, that is, a high natural increase of population, an exceptionally low level of employment, high unemployment and underemployment, a low rate of GNP, and per capita in particular. The fact that several smaller Arab countries, rich in the production of oil, have a high per capita income does not change the general assessment on the economic development of Arab countries. Only a year ago such an assessment on the level of development would not need to be explained but, today, when one often speaks and writes about new rich owners of oil, it is also necessary to take into account the new state of affairs. The fact is, that income from oil of the countries rich in oil has enormously increased in recent times, in the last year, in particular. But, the fact is also that the largest (most populated) Arab countries do not rank among the rich oil owners. Only 3 of them (Egypt, Sudan and Morocco) have more than 50 per cent of the total Arab population and only about 30 per cent of Arab population live in the countries rich in oil.

38/ Nadia N. Youssef, Social structure and the female labour force: The case of women workers in Muslim middle eastern countries, Demography, vol. 8, No.4, 1971, pp. 427-439, Z. Vavra, Demographic patterns ....., op.cit. p. 15.

However, these Arab countries are not economically developed either. High income from oil in these countries has been earned only recently and the economic effects of the inflow of dollars to these countries can only be expected. The economic position of the other Arab countries has not changed essentially. (Table 7).

37. Table 7 shows the level of economic development in all the Arab countries in 1970 on the eve of the petroleum boom and the dynamics of economic development in the past decade (1960 - 1970). In 1970 national product in all the Arab countries was estimated by the World Bank to amount to 35.860 million dollars or 192 US dollars per capita. Kuwait, Qatar, the United Arab Emirates and Lybya, the countries having small-size population and rich in oil, have a high GNP per capita, ranging between 1770-3760 US dollars. Most often national product ranges between 200-300 US dollars. This is a range of per capita income in 6 Arab countries. Sudan and the Peoples Democratic Republic of Yemen have 120 US dollars per capita income. The Arab Republic of Yemen only 80 US dollars and Saudi Arabia, Lebanon and Bahrain between 440 and 590 US dollars. Such a level of the GNP per capita in Arab countries undoubtedly speaks about a low level of economic development of the largest number of countries of this region. The fact, that a few of the small Arab countries have per capita income at the level of the developed industrial countries in the West is not significant, because these countries, due to a whole range of relevant indicators (the level and structure of industrial production, the level of employment, qualificational and educational level of the labour force and the population, development of the tertiary sector, the level of technology, the productivity of work and a series of other factors) belong to economically underdeveloped countries.

38. The level of economic development, measured by income or by GNP per capita, is in fact the indicator of the process of development of economy and population in a longer period. In Arab countries this process was very unfavourable in the past. And in recent past, i.e. in the last decade (1960-1970) the growth rate of economies in Arab countries as a whole and of the largest number individually, was very low, most often

TABLE 7

Population Growth And GNP In Arab Countries[39/]

	Population in 1970 (thousands)	Population growth rate 1960-70	GNP in million US $ 1970	GNP per capita in 1970 in US $	Growth rate GNP per capita in percentage
Algeria	14.330	3.1	4.270	300	1.7
Bahrain	212	3.5	120	550	2.8
Egypt	33.329	2.5	6.870	210	1.7
Iraq	9.678	3.5	3.090	320	2.5
Jordan	2.317	3.5	570	250	2.9
Kuwait	760	9.7	2.850	3.760	- 3.5
Lebanon	2.726	2.5	1.610	590	0.5
Libya	1.940	3.7	3.420	1.770	20.4
Morocco	15.495	2.9	3.600	230	1.0
Oman	600	2.0	210	350	17.1
Qatar	115	9.1	200	1.730	0.5
Saudi Arabia	7.360	(1.7)	3.220	440	8.0
Sudan	15.695	2.9	1.850	120	1.0
Syria	6.098	2.9	1.750	290	3.4
Tunisia	5.075	3.0	1.270	250	0.5
United Arab Emirates	220	9.3	530	2.390	18.5
Yemen Arab Republic	5.730	2.2	290	80	2.0
Yemen Democratic Republic	1.255	2.3	140	120	- 5.0

39/ World Bank Atlas 1972, Population per capita product and growth rates (Note: There is a slight difference between data on population in this table and in table 1).

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1 - 2% higher than the natural increase of population, which is quite insufficient in order that any significant progress can be achieved in the near future. It is obvious that a high growth of population has considerably mitigated effects exerted by the GNP growth. The importance of the population growth for economic development is understandable. However, per capita GNP in Arab countries show that the effects of population growth are not equal in all Arab countries. Interconnection between the population and economic development is very important but it is only part of the complex interdependence and mutual effects existing between economic development and the other factors determining it. Such dynamics of economic development of the Arab countries in the existing demographic situation, has in fact, meant a further lagging behind in development and a deepening of the gap between this region and the developed countries. Neither have the rich oil countries achieved a high rate of economic growth. The high growth rate in several Arab countries including Libya and Saudi Arabia, results to a greater part from an exceptionally low start basis (1960) rather than a high (in absolute expression) growth of material production (except, naturally, of oil). A low growth of economy in the 1960-1970 period and earlier, under conditions of a high population growth, conditioned an exceptionally low standard of living of the population with all the consequences stemming from it. The economic situation of Arab countries in the past period was aggravated by the war Arab countries are fighting against Israel, that is, the liberation wars several Arab countries have fought in the recent past for their national liberation and a national state.

39. In view of numerous problems, a low level of economic development and a high natural increase of the population and the labour force, Arab countries must invest exceptional efforts to break this vicious circle made up of economic retardness and high population growth. An accelerated industrialization of Arab countries seems to be the most appropriate if not the only road to opressing retardness and including the Arab world in the modern currents of economic development. If, in a majority of Arab countries, there were no objective conditions for initiating an accelerated economic development in the past, one cannot say that for the present period. It

seems that in this period both objective and subjective conditions have encountered, enabling Arab countries to resolutely move forward on a road of accelerated economic development. Arab countries have fought their national independence, the oil boom has enormously increased the inflow of capital in a number of Arab countries while necessary cadres are no longer an insurmountable obstacle to industrialization and an accelerated development[40]. Industrialization and the accelerated development represent an urgent task, since it is a "race for time" here that is in question. The future of such an enormous region Arab countries cover, with so numerous a population, cannot be based on oil only. Oil cannot guarantee their unlimited progress because one rightly counts that sooner or later oil will disappear, i.e. new competitive sources of energy will appear. Therefore, the present chance should be grasped and develop the economies of Arab countries on a fairly wide basis, so that they might be able to face the uncertainties of tomorrow.

40. Income from oil of a number of Arab countries has enormously increased in recent years so that new conditions are created for such an expansive development of economy, which has not been recorded so far. Estimates by the competent world institutions, despite certain difficulties, envisage that Arab countries in 1974 alone shall achieve an income from oil amounting to over 50 million US dollars, which is about 10 times more than in 1970 for which the World Bank estimated the GNP for all the countries and Arab countries too. Irrespective of a possible error in estimation, there is no doubt, that here enormous resources are under consideration which have inflown to Arab countries in a very short period of time. One poses a question, how this capital is to be used, which even the most optimistic minds could not have counted on two or three years ago. The answer of this question depends mainly the future of not only individual Arab countries but, probably also the entire region.

40/ There is a possibility today to employ foreign experts, while Arab countries too have achieved a progress in their own cadres.

41. It is quite certain that the level of development which Arab countries are undergoing, with scarce technical and managerial cadres, poor industrial tradition, poor market, cannot all at once absorb large investment which is made possible by an abrupt inflow of capital earned by means of oil. It is therefore understandable, that this capital should be invested abroad. But, it would probably be a mistake if this becomes a practice in the long run and the possible earning of profits outside the Arab region, orient the investment of capital abroad. Instead, capital from savings should be used for the economic development of Arab countries even with lower profits (in a short run), but with prospects for creating a material basis for an accelerated economic development of Arab countries. The investment of capital in the developed countries can, in the beginning, give promises for higher profits to investors, but the investment of capital in Arab countries, even at lower profits for investors, assures a considerably faster growth of income for Arab countries[41/]. Arab countries as a whole, with about 130 million population, constitute a sufficiently large region and market which enable the development of a modern economy of a developed structure and large capacities, competitive to those of the developed countries. But, for any significant economic development of Arab countries, a close cooperation is necessary between them. United Arab countries will be more able to fully exploit all the advantages of the present position of oil in the world market.

41/ An increase of income in the country, based on invested resources is most often 5 times higher than the average profit earned on the basis of capital investment abroad.

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IV. THE PROSPECTIVE TRENDS OF POPULATION IN ARAB COUNTRIES

42. The future movement of the number of population in the region as well as individual countries, will depend on the economic, social and demographic conditions and the policy to be pursued in each of these spheres. The interval of the next 25 years, which is the subject-matter of this section, constitutes a relatively short period. Bearing in mind the present demographic situation in the region and a long-term character of demographic processes, one cannot expect that greater or radical changes in the trends of population growth will be achieved by the end of this century. A special role in the future trends of population will be performed by the so-called demographic insertion. It is a consequence of the present population growth and is conditioned, to the most part, by the age structure of population, which cannot change itself quickly. Even, in conditions when low reproductive norms would be adopted, the total number of population would increase in the several next decades, thanks precisely to the young age structure. One has also to expect a further decline of death rates in the region. Due to this fact, population growth in the next several decades could be rapid, despite an eventually greater decrease in the birth rate. So, demographic conditions in the region are precisely such, that in the next period one can expect them to determine, to a great extent, the level of population growth.

43. A long run of demographic processes does not consist only on the future trends courses' determination, as was explained in the previous paragraph, but also on the fact that changes in the components of population growth are of postponable time effects. Namely, in principle, changes in the reproductive pattern of population are of short-or long-time effects in all the economic and social spheres with which the demographic factor is closely connected. The significance of short-time effects, although they operate in the sphere of consumption, savings and investments, is limited since changes in the size of population and the age structure still cannot be great in the first ten years or so. Later, however, particularly after four or five decades, demographic changes are pronounced, so that its effects are present in all spheres of economic and social development to a great extent.

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Prof. A. Coale has very clearly pointed this out in his already classical paper "Population and Economic Development"[42], and this was also seen by other authors, such as R. Blandy [43], G. Jones[44] etc.

44. The time factor, is obviously of an exceptional importance in considering demographic prospects and possible implications. It is often neglected in such considerations, both short-time and long-time. However, if one does not respect it, this practically means that the demographic factor is not respected either.

45. In this paper use was made of demographic projections, worked out by the UN Demographic Department, the latest 1968 corrected version. The basic assumption adopted in the UN projections is "that at least a minimal degree of social order and control will be maintained in the world, that efforts at improving or at least maintaining an acceptable quality of life will continue and that these efforts will not be totally frustrated"[45]. Starting with this basic premise, the assumptions were accepted of the future fertility, mortality and interregional migrations. It is estimated that the birth rate in all the developing countries will steadily decline in the course of the period, slowly when the level is still high and faster when it is moderate. Death rates will also decline in accordance with the level at which they were at the beginning of the period observed, the present trend and socio-economic conditions including the efforts the national governments are making in order to improve the health level in the country. Besides this it is supposed that the volume of interregional migrations will decrease and become irrelevant by the year 2000[46].

42/ Ansley Coale, Population and Economic Development, in the Population Dilemma, edited by Philip Hauser, Prentice Hall, Inc. Englewood Cliffs, N.Y. 1963, pp 46-69.

43/ Richard Blandy, Population and Employment Growth: an Introductory Empirical Exploration, International Labour Review, No.4,72.

44/ Gavin Jones, The Economic Effect of Declining Fertility in Less Developed Countries, The Population Council, February 1969.

45/ United Nations Department of Economic and Social Affairs, Concise Report on the World Population Situation in 1970-75 and its long-range Implications, Population Studies No.56, New York 1974.

46/ United Nations department of Economic and Social Affairs, Concise report ....., op. cit. pp. 49-54.

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46. To present demographic projections in Arab countries, one has used the so-called medium variant which was assessed, while conceptualising projections, as most probable. It is possible, that for the population projections in individual Arab countries a high or a low variant would be more appropriate, in view of the adopted demographic policy or the one wishes to implement in the forthcoming period. However, for such a selective choice there is not enough sufficiently reliable information, so that it has to be abandoned.

47. Tables 8, 9 and 10 present the results of the UN demographic projections, individually for all the countries in the region. The data in table 8 show that the average annual rate of population growth in a majority of the countries will begin to fall only in the last decade of this century (exceptions are Egypt, Lebanon and Kuwait). Hence, one expects that it will be high in the year 2000 mainly in all the countries in the region. A slightly lower growth rate, but still at the level which gives grounds for a rapid population growth, will it seems, remain in Lebanon, Egypt, Tunisia and Morocco, due to a slightly lower fertility. It is therefore obvious that the population in the entire region will rapidly increase despite expected changes in the reproductive pattern of the population. In fact, the supposed decrease of fertility and mortality until the end of the century will, no doubt, lead to their more favourable level than is the present one. However, this quantitative difference which is expected in the level of reproductive components will not reflect itself as essentially on the weakening of population growth in the next 25 years, as will do the beginning of significant changes in the reproductive model, the consequences of which in the sense of a decrease of pace of population growth can be expected in the first decades of the next century.

48. If the adopted hypothesis on population growth becomes true, total population in the region in the year 2000 will double in relation to that estimated in 1975. Namely, the total number of population is to increase from 143.2 millions in 1975 to 302.7 millions in the year 2000, or by 2.1 times. The increase of the absolute number of population in all

TABLE 8

Estimated Total Population and Annual Rates of Growth by Countries 1975-2000 (Medium Variant)[47]

	Population in 2000 in thousands	Annual rates of growth (exponential)				
		1975 - 80	1980 - 85	1985 - 90	1990 - 95	1995 - 2000
Algeria	38.404	3.40	3.42	3.40	3.25	2.96
Bahrain	561	3.13	3.20	3.22	3.17	3.03
Egypt	66.442	2.32	2.35	2.34	2.28	2.22
Iraq	26.840	3.57	3.55	3.55	3.47	3.31
Jordan	6.437	3.43	3.45	3.50	3.47	3.31
Kuwait	3.398	5.92	5.04	4.42	3.92	3.40
Lebanon	5.902	2.77	2.51	2.41	2.25	2.05
Libya	5.034	3.16	3.26	3.31	3.26	3.10
Morocco	38.934	3.27	3.28	3.17	2.89	2.46
Oman	1.684	3.13	3.20	3.22	3.17	3.03
Qatar	204	3.13	3.20	3.22	3.17	3.03
Saudi Arabia	19.532	3.07	3.14	3.17	3.14	3.02
Sudan	41.142	3.11	3.25	3.33	3.36	3.28
Syria	17.453	3.45	3.51	3.54	3.48	3.30
Tunisia	12.152	2.97	3.19	3.13	2.82	2.40
United Arab Emirates	485	3.13	3.20	3.22	3.17	3.03
Yemen Arab Republic	14.478	3.07	3.14	3.17	3.14	2.92
Yemen Democratic Republic	3.632	3.06	3.14	3.19	3.16	3.03

47/ United Nations Demographic Department, Population projection, (documentation)

the countries will be high. If one excludes Kuwait, where the number of population will triple, the fastest increase of population will record Iraq (index 239), Syria (237) and Jordan (236), while the lowest will be recorded in Egypt (178) and Lebanon (182). However, irrespective of the pace of increase the absolute number of population will impressively increase in all the countries particularly in Egypt (from 37 to 66 millions), Sudan (from 18 to 41 millions) in Algeria (from almost 17 to over 38 millions) in Morocco (from 18 to almost 39 millions), etc.

49. It is obvious that the population potentials in the region will increase greatly. Bearing in mind that the population represents only one of the factors of development, this need not mean that the rapid growth of population will prevent the economic growth. In individual countries, rich in natural resources and a low density, a rapid growth of population can be an advantage, particularly in a definite period of time, which calls for a fuller utilisation of available natural resources. This could be the case with Libya or the Gulf States. However, in a majority of countries, particularly in those having a large population already, a rapid population growth will certainly lead to great difficulties in the further economic and social development. This is pointed out by the existing problems. In order to mitigate them, the mobilisation of additional sources is necessary which will, under conditions of a steady demographic pressure, certainly be connected with very serious difficulties.

50. The structural aspect of the population growth is also important, bearing in mind that all the social and economic functions are performed in a demographic framework. The age groups 0-4, 5-14, 15-64, 65 and over, and 15-49 (for the female population) presented in table 9, are in fact approximations of the pre-school age children, the school-age population, the working-age population, the old age population and females in the reproductive ages. Data on the growth of all these functional groups offer an image on a possible demographic pressure on the labour market, in the sphere of education, health, housing, etc.

51. The anticipated relative increase of children aged from 0-4 years is the lowest among the functional groups, thanks to the expected fertility fall in the forthcoming period. However, despite this, the

TABLE 9

Expected Changes in the Main Functional Age Groups in the Arab Countries 1975-2000 (Indexes 1975=100)[48]

	Children ages 0-4	School age population	Working age population	Old-age population	Females in the reproductive ages
Algeria	188	219	248	211	242
Egypt	159	161	187	234	184
Iraq	215	242	246	272	246
Jordan	215	236	243	240	246
Kuwait	244	335	320	506	355
Lebanon	128	153	213	198	217
Libya	209	229	224	246	233
Morocco	155	206	235	258	234
Saudi Arabia	199	227	219	240	221
Sudan	221	231	224	246	225
Syria	220	242	241	242	246
Tunisia	171	197	223	203	228
Yemen Arab Republic	193	227	219	242	220
Yemen Democratic Republic	200	225	220	236	223
Other Arab Countries [49]	201	226	222	256	222

48/ United Nations Demographic Department, Population projections, (documentation)

49/ Bahrain, Oman, Qatar and United Arab Emirates are included

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absolute number of population in this age group in a majority of countries will double in the year 2000 in relation to 1975. A relative increase in this group is only lesser in Egypt, Lebanon, Morocco and Tunisia, where one supposes the fastest fall of fertility. In any case, the increase of this group of children is high in all the countries, which should be taken into account when planning development because of needs in food, medical services, etc.

52. One expects a significantly higher relative increase in the size of the school-age group, more than in the 0-4 age group. These differences stem from a different fertility level in individual periods. Otherwise, in a majority of countries in the region, the number of population in this age group will be 2 to 2 and half times greater in the year 2000 than in 1975. Once more, a relative increase will significantly be milder in the countries where the fertility fall has begun earlier (Egypt, Lebanon, Morocco, Tunisia), than in other countries. A special importance attributed to the increase of this age group, reflects on the estimates of necessary investment for the fulfilment of goals in the development of education, both for schools and teaching staff.

53. The most significant is certainly the increase in the working-age group of population because of its important implications on employment and necessary investment resources. A relative increase of this group ranges from 2 - 2.5 times in a majority of countries which is exceptionally high, bearing in mind its very high proportion in total population. In individual countries, particularly in those having a large number of total population, the absolute increase in this group will be such great, that it calls for special treatment in plan considerations affecting employment and other related questions (inflow of young generations educated, changes in the structure of employed by economic branches, spread of females' employment, and the like). Thus, for instance, in Egypt the absolute number of population of working age will increase from 21 millions in 1975 to over 39 millions in the year 2000, in Sudan from 9.5 to 21.2 millions, in Algeria from 8.3 to 20.6 millions, etc.

54. The age group of the old population will also increase in absolute numbers thanks to the large number of persons who will enter this age group, and a fall of the specific mortality by age. In individual countries, like in Egypt, Iraq, Kuwait, Morocco, Saudi Arabia and in both Yemen, a relative increase is highest precisely in this age group. One has, however, to bear in mind that this group is still relatively small so that considerations on possible implications must be made for each country separately.

55. In the forthcoming period the group of female population in the reproductive age will have a similar relative increase, like the population in the working-age which means that it will increase by about 2 to 2.5 times in each country of the region. This increase is significant because it indicates how great reproductive capacities of population will be in the future. As is known in addition to marital variables and social norms of the size of family, the level of fertility in a population is directly affected by the size of this age group. Its steady absolute increase and the increase of relative proportion in the total population, is one of the causes affecting the birth rates to increase or to remain at an unchangeable level.

56. According to the medium variant of the UN population projections, one expects relatively small changes in the age structure of the populations in Arab countries in the year 2000 (Table 10). Under the assumed effect of a slow fertility fall in all the countries of the region, the proportion of the age group 0 - 14 will decrease, while the proportion of age groups 15 - 64 and 65 and more will increase. These changes will, to the most part be slight in a majority of countries. Hence one has to expect that in the year 2000 the basic characteristic of the age structure will be a high proportion of children and a high dependency ratio. Slightly greater exceptions constitute Egypt and Lebanon, as well as Tunisia and Morocco, where a decrease of fertility has begun earlier. In these countries the age structure in the year 2000 will be more favourable than in others, due to a lower proportion of children and a lower dependency ratio.

57. It is difficult to say how realistic are data on population projections in Arab countries up to the year 2000. When human behaviour

TABLE 10

Age Structure of Population in Arab Countries, 2000 (medium variant)[50]

	Percentage distribution by age			Dependency ratio
	0-14	15-64	65 and over	
Algeria	43.5	53.6	2.9	86.4
Egypt	36.5	59.1	4.4	69.3
Iraq	45.2	52.0	2.8	92.3
Jordan	45.0	52.1	2.9	91.9
Kuwait	44.7	52.9	2.4	88.9
Lebanon	34.1	60.7	5.2	64.8
Libya	43.8	52.8	3.4	89.4
Morocco	40.5	56.3	3.2	77.6
Saudi Arabia	44.2	52.7	3.1	89.6
Sudan	45.5	51.6	2.9	93.8
Syria	45.2	51.7	3.1	93.3
Tunisia	40.1	56.0	3.9	78.6
Yemen Arab Republic	43.9	53.0	3.1	88.6
Yemen Dem. Republic	44.3	52.7	3.0	89.8
Other Arab Countries[51]	44.3	52.7	3.0	89.6

50/ United Nations Demographic Department, Population projections (documentation)

51/ Bahrain, Oman, Qatar and United Arab Emirates are included.

is in question an exact prediction is probably not possible. Still, it seems, in view of the known present circumstances, that the growth of population in the region will be high in the next 25 years. This means that demographic situation will represent one of the very serious problems, bearing in mind both, the duration of this process and importance of its implications for social and economic development. Besides this, one has to emphasize that changes are expected in the reproductive pattern up to the year 2000 which should lead to a more harmonious population growth after the year 2000. In addition to this qualitative change, one should also expect that in this period, under the influence of development processes, a further development of social, economic and educational structures of population will be achieved. It will, no doubt, represent an important demographic change, having a positive recurrent influence both, on the demographic and social economic processes.

V. THE QUESTION OF ACTION

58. In contrast to many common features that Arab nations share, such as origin, ethnicity, language, religion and history, there are many others in which they differ. Out of eighteen countries, there are at least seven with rich oil resources, and at least two with oil reserves that might meet domestic needs. Cultivable land is not an abundant resource, but at least six countries have sufficient agricultural areas for future expansion. Desert area is large in some eight countries; it is little used for economic purposes and not yet explored for natural resources. Seven countries have accumulated large reserves in foreign exchange and gold, and some of these have already attained a high level of per capita income. In at least three countries the level of development is very low.

59. The size of national territory and of national population largely differs in the Arab region, as does the population density. Egypt's population exceeds 35 million, while there are four countries with population of less than 1 million; other countries are almost evenly distributed in population size groups from 1 to 5 million, 5 to 10 million and 10 to 20 million. In two countries density is very high, in eight it is very low, and still in other eight countries it ranges between 20 and 50 inhabitants per square kilometre. The rate of population growth tends to cluster around 3 per cent per annum (with a few examples of lower and substantially higher rates) implying a doubling of population in some twenty three years. However there appear to be variations in fertility rates and particularily in mortality and infant mortality rates. Only a couple of countries' population growth seems to be affected by immigration; on the other hand selective emigration is quite significant but does not affect population growth. Propensity to migrate to the urban areas is very strong.

60. The percentage of children below 15 years of age in total population is between 43 and 45, except Egypt (40.5) and Algeria (47.8). As a consequence there are on the average three dependants per one economically active person, with an exception of Kuwait and Egypt. Women's participation in economic activity is extremely low, while child and old age labour

prevails in many countries. Illiteracy is very high, the proportion of workers in modern industries meagre, and underemployment affects large segments of population in both urban and rural areas. Modern educational systems are of recent origin, and there are only several countries with advanced higher education. Public health services are also very recent, and available mostly in cities and towns.

61. In the sphere of development, endeavour to promote modern industries, agriculture and services is projected. Most of the countries concerned have adopted development plans, while some of them aim at socialistic reforms of one kind or another, based on different concepts of mixed economy. As far as population policy is concerned, four countries aim at a significantly larger population and high population growth rates, not distinguishing between the contribution of natural increase and immigration. Three countries have family planning programmes designed to reduce the level of fertility and population growth rate. Governments of most of the other countries either support family planning within the health sector, or appreciate activities by family planning associations. Only a few countries have no position with regard to family planning. There are no visible signs of significant programmes designed to check infant mortality, neither there are policies and measures aimed at controlling urban population growth. As far as international migration is concerned, there are many countries that have demonstrated an interest in it, but no comprehensive policy in this respect has been proclaimed so far, either unilaterally or bilaterally.

62. In such diverse conditions no universal policy or action appears to be realistic and feasible. The matrix of development strategies is very complex in the Arab world, because of the variety of combinations of resources and factors of development, which is further complicated by variations in social and population policies. Immediate and long-range considerations with regard to development and planning widely differ, and certainly will change in the course of time. Moreover, the nature of exhaustible and renewable natural resources which are available in individual countries also matters, because of the generation of income and

financial resources for development and because of the prospects for a more distant future. Finally, intra-regional economic co-operation, if established, might additionally affect the strategy of individual countries.

63. As far as population is concerned, there is a great similarity in the pattern of population growth, which overshadows differences in population size and density. Similarity also exists with regard to labour force formation, participation rates, quality of supply of labour, and to a lesser extend, with regard to employment. As pointed out earlier, these common characteristics of labour force and population are co-related with the state of under-development. It is in these fields that the possible action will be considered.

64. No nation can progress at a sufficient pace and with satisfactory quality in circumstances in which only 1/4 of its population is actively engaged in national economy. High dependency ratio is a serious impediment to national development and family wellfare. Improvement in the ratio of producers to consumers is a precondition to accelerated growth of economy and social services. However an adequate activity rate is not easy to achieve, for it implies a reduction of the dependency burden imposed by the large number of children and consequently, a reduction of fertility.

65. An increase of the rate of economic activity of population is beneficial both in the short run and in the long run, however, with varying social effects. Immediate benefits enjoy only those segments of society, that have adopted small family size as their reproduction norm, which is in the Arab societies limited to the educated and well-to-do class. One of the crucial problems of any action is therefore, how to extend this privilege of educated and well-to-do people to other segments of society. The long run benefits of higher rate of economic activity are accessible to all the segments of society, because of their effects on production and consumption at the national level.

66. The question which arises in this connection is whether those nations that are short of labour, because of the small size of population

or for any other reason, should aim at a higher rate of economic activity of the population, and at a moderate fertility and population growth? - There are two methods for increasing population numbers and the supply of labour: population growth and immigration. While rapid growth of population tends to increase labour supply, it also tends to maintain the rate of economic activity of the population at a low level, and to perpetuate unfavourable relation between labour force and total population. This is the reason why this method cannot be recommended. It seems more appropriate to pursue a policy of moderate population growth combined with a policy of selective immigration. By this method both objectives can be achieved; increase in labour and in population at one hand, and improvement of activity rate at the other.

67. The coincidence of surplus population in some countries and of population deficits in others, makes migration a viable proposition for Arab region. Moreover, common characteristics of Arab people, such as origin, culture, language and the like, definitely facilitates the migration flow and the acculturation of immigrants. An active intra-regional migration policy would, no doubt, stimulate development in both the immigration and emigration countries, and thus produce additional regional effects. It would also facilitate regional economic integration, in which human factor has a definite role to play.

68. Another aspect of population development deals with the balance between births and deaths. There is an urgent need in all Arab countries to reduce mortality, and particularily mortality of infants and children. Economic, social and humanitarian considerations all suggest that human life should be maintained and life-span extended. Reduction of infant mortality is a significant source of future population growth, and should be promoted by all the appropriate measures. It is also an important factor of wider acceptance of modern reproductive norms.

69. In this connection the question of fertility regulation should be reconsidered. Viewed as a positive action, as birth spacing and prevention of unwanted pregnancies, regulation of fertility has, in addition

to economic merits, also its humanitarian values. In the prevailing demographic conditions of Arab states the spread of fertility regulation would, no doubt, lead to a reduction of the birth rate. Combined with a reduction of infant mortality, it would make the process of reproduction more human and more rational. At the family level this would mean healthy reproduction, that would make it possible for parents to give adequate attention and care to their children. It would also facilitate the spread of women's employment to outdoor modern industries. At the society level it would mean an improvement in population growth pattern, with significant economic and social implications. It is for these reasons that action aimed at the vital processes affecting population growth should be considered crucial for development.

70. Still another crucial aspect of development are the educational characteristics of population. In view of the current situation, it is of paramount importance for all the Arab countries to improve educational and skill levels of their populations. The quality of labour supply, labour productivity, demographic effects of education, and its value for human life, all call for a radical expansion of literacy, training and education. In the short run, expansion of educational services to the whole of the young generation, both female and male, would tend to reduce the supply of labour. In the medium to long run it would improve the quality of that supply, and would favourably affect individual's and nation's productivity. Education should be regarded as the most efficient means of modernization of a society, which also affects the reproductive behaviour and reproduction. As a feed-back, lower population growth would facilitate educational efforts, and make it possible for the new generations to be fully enrolled and better trained.

71. In summarizing the questions of action it should be pointed out that two aspects of human development have lasting value. The first is development of man's productive capacity which at the macro level corresponds to development of labour force, both quantitative and qualitative. The second is development of man as biological and social being, which at the macro-level means improvement in reproduction and in the population growth pattern. Both aspects are interrelated, and improvement in both can be achieved only in the course of genuine development and as an integral part of it.